GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4402
ANSWERED ON:24.04.2008
CLOSING OF PETROL PUMPS BY THE PRIVATE SECTOR COMPANIES
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether in view of rising global crude oil prices and inability to match the fuel price offered by public sector oil companies, some private sector companies have decided to shut down their petrol pumps;

(b) if so, the details thereof; and

(c) the steps taken/being taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA PATEL)

(a) to (c): Reliance Industries Limited (RIL) has informed that the sales at their retail outlets (ROs) are negligible due to selling price differential between private and public sector ROs, leading to the closure of their ROs. Essar Oil Limited (EOL) and Shell India Marketing Private Limited (SIMPL) have not yet decided to shutdown their ROs. The prices of sensitive petroleum products are fixed by the Public Sector Oil Marketing Companies (OMCs) in consultation with the Government. Private oil companies are not subject to pricing restrictions by the Government and are free to take their pricing decisions on commercial considerations.